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C O N F I D E N T I A L SECTION 01 OF 03 SARAJEVO 000013

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TAGS: [PREL](#) [MARR](#) [BK](#)  
SUBJECT: BOSNIA: SCENESETTER FOR COMUSNAVEUR FITZGERALD'S  
JANUARY 15 VISIT TO SARAJEVO

REF: SARAJEVO 1434

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Classified By: Charge Jonathan Moore for reasons 1.4 (b) and (d)

Summary  
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¶1. (C) Admiral: Your visit comes as Bosnia's leaders are frustrated and disappointed about their country's lack of progress towards NATO. Bosnia's Presidency and defense leadership feel that Allies unfairly passed up Bosnia in December when they allowed Montenegro to begin a Membership Action Plan (MAP). At the same time they are aware that Bosnia's reform agenda -- including defense reform -- is stalled, and fret (reasonably) that, with the current deterioration of the political environment and upcoming elections in 2010, there is little scope to accomplish anything substantive in order to achieve a different result at the next NATO ministerial in April or the summit in November. All of Bosnia's ruling parties argue that failing to progress towards NATO will further destabilize Bosnia's deteriorating political situation and make further reforms less likely. End Summary.

Bosnia's MAP Disappointment  
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¶2. (C/NF) Since beginning Intensified Dialogue (ID) and Individual Partnership Action Plan (IPAP) processes in Fall 2008, Bosnia has made little progress on its substantive reform objectives. Bosnia's last IPAP assessment, approved by the North Atlantic Council in March 2009, summarized: "The main finding of this assessment is that work on reform objectives is seriously hindered by Bosnian politics and political change will be essential to BiH's success in IPAP." In our view that and many of the other criticisms in the assessment remain true today. In response to the fact that Bosnia's nationalist agendas and fractious politics were impeding progress towards EU and NATO integration, the European Union and the United States initiated in October an intense diplomatic effort to resolve impasses on several key reforms and modest constitutional changes to make the state more functional and put Bosnia back on the path to Euro-Atlantic integration (sometimes called the "Butmir" package). We told Bosnia's leaders that reaching agreement on substantive reforms like those suggested in the U.S.-EU initiative would encourage NATO allies to support Bosnia in its ambitions for MAP, as well as help Bosnia make progress towards EU integration.

¶3. (C/NF) As it became clear that those talks would achieve no success by the December NATO Ministerial, Bosnia's leaders vociferously argued that the Butmir process unfairly linked Bosnia's MAP application to (politically difficult) constitutional changes. We have stressed to Bosnia's leaders that it was the other way around: Butmir was a response to Bosnia's inability to address blockages in its reform agenda. Nevertheless, you may expect your interlocutors to accuse the EU-US initiative of derailing their MAP application. It would be helpful to remind Bosnia's defense leadership of the findings in Bosnia's last IPAP assessment, point out that progress towards NATO is merit based, and that without reform, the obstacles identified in the last IPAP assessment are likely to be identified in subsequent assessments.

#### Consensus on NATO Threatened

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¶4. (C) In the wake of the negative decision about Bosnia's MAP application, RS PM Milorad Dodik suggested that Bosnia's NATO future should be subject to a referendum in the RS. It remains to be seen if Dodik is serious about this challenge to Bosnia's unanimity on its NATO future, but it is clear that any entity-level referendum on NATO would in fact become a (dangerous) proxy referendum on the Bosnian state. Almost all Bosnian politicians say that NATO membership is necessary for their country's long-term peace and prosperity, but the ostensible consensus on Bosnia's NATO future has always been more in word than in deed, and Bosnian Serbs have always been less committed than others. RS politicians continue to argue for reduced military budgets, talk openly about the "demilitarization" of Bosnia, obstruct progress toward dealing with Bosnia's thousands of tons of excess weapons and

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ammunition, and have recently walked back their position -- "a token of goodwill" -- that defense property would be owned by the State.

#### Political Climate Makes Reforms Unlikely

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¶5. (C) Bosnia's political climate has not improved since your last visit in November. The lack of progress on the U.S.-EU initiative illustrated how far apart the parties are on reaching substantive agreements that would make a more functional state or even resolve outstanding issues like state and defense property. In the meantime, RS Prime Minister Milorad Dodik is ever more boldly challenging the international community and Bosnia's state institutions by laying the groundwork to hold an entity-level referendum in the RS on the High Representative's recent decision to extend international judges and prosecutors for war crimes (reftel). With elections approaching in October 2010 and the clout of the Office of the High Representative (OHR) rapidly waning, political leaders from each ethnic group are ratcheting up nationalist rhetoric and their maximalist demands. In this charged political environment there is little scope for politicians to reach meaningful agreements on any issues that would advance Bosnia's Euro-Atlantic aspirations. As a consequence, absent some game-changing development, we can expect little progress on defense or other reforms before elections.

#### Defense Reform Derailed

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¶6. (C) While they point out the successes achieved in defense reform in 2005-2008, even the usually optimistic Ministry officials admit that achieving the outstanding defense reform objectives will be difficult in the near-term. Bosnia's Presidency has approved only 3,700 tons of Bosnia's excess ammunition for destruction, and no weapons. The Ministry has made no progress in its attempt to sell the remainder of the surplus, a process for which the Ministry has no capacity and

that will take years to complete according to Bosnian tender law. (After robust U.S. engagement, the Presidency did approve the donation of 60 excess Howitzers to the Afghan National Security Forces, although the impact of this donation on Bosnia's overall surplus will be small.) Military staff and officials from the RS have brought destruction to a virtual standstill by insisting that destruction take place only at Doboj, where disputes over whether the State or Entity have the right to sell the scrap residue have reduced destruction to a fraction of Doboj's capacity. On immovable property, RS politicians have again reverted to their previous position that the State has the right to use defense property, the entity owns it, and the problem is therefore solved, a view that is anathema to Bosniak and Croat parties in Bosnia.

#### Coming Challenges

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¶7. (C) In addition to the stalled defense reform agenda and a dour mood over the MAP decision, Bosnia's Armed Forces face two additional challenges in the near future. By March 1 the MOD is set to release up to 2,700 soldiers who will have reached a legal age limit of 35 for enlisted soldiers. Since many members of the armed forces already spend nearly all their time guarding Bosnia's surplus property, this could exacerbate Bosnia's already poor ability to train troops and modernize. Recently Commander of the Fourth Brigade in Capljina, General Ivica Jerkic, told us that of his 800 soldiers, he currently has 400 devoted full time to standing guard and he stands to lose 360 due to the age limit. The Ministry is looking for ways to keep some of the soldiers, by promotion or transfer to the civil service, but the Armed Forces nevertheless stands to lose a substantial number of its servicemen by March. Minister of Defense Selmo Cikotic is pushing Allies to support a NATO Trust Fund program to help reintegrate those servicemen who are released. The second challenge facing the Ministry of Defense is their ongoing Strategic Defense Review, due to be completed in spring. While matching Bosnia's force structure with its defense needs and resources is critical to modernize the Armed Forces, any changes to the nationalist and regional compromises that created the current force structure will

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prove politically difficult and expose the vast differences between political parties over the future of Bosnia's military. Serb parties are likely to reject any recommendation to increase defense spending, arguing that the Armed Forces need to be downsized (and ultimately, according to their rhetoric, eliminated). Bosniak parties will likely reject recommendations to reduce the size of the Armed Forces, for fear that this will add momentum to Serb efforts to eliminate a state institution.

#### ISAF Deployment also Victim of Political Wrangling

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¶8. (C/NF) The deteriorating political climate has also hurt Bosnia's ability to deploy to support peace keeping operations, something all sides had agreed on in the past. Bosnia has had offers to deploy to ISAF with Germany, Denmark and Turkey since July 2009, but the Minister has been unable to get a proposal through the Presidency due to nationalist wrangling. Serb politicians have said publicly, and privately to us, that they will not approve a deployment only with the Turkish contingent. The Minister does not favor deployment with Germany or Denmark because he considers these more dangerous, and advisors to Bosniak Presidency member Haris Silajdzic have told us that the President may respond to Serb objections by blocking any deployment plan that does not include deploying with the Turkish contingent.

Comment

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¶9. (C) Membership in the EU and NATO remain the two (ostensibly) unifying goals of an otherwise divided Bosnia and are the cornerstone of our strategy for ensuring that Bosnia's still-deep ethnic divides do not become a source of political instability or conflict in the region. Defense reform remains the most successful example of state-building since Dayton, and its success was largely attributable to U.S. leadership in cooperation with NATO HQ Sarajevo. We now face a loss of momentum in the defense reform agenda just as Bosnia's neighbors are making institutional progress towards NATO. Our efforts to maintain the delicate balance of keeping Bosnia enthusiastic about its NATO prospects but realistic about the fact that Euro-Atlantic integration requires real reform will grow increasingly difficult in the near-term.

Comment Continued

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¶10. (C/NF) In light of much recent bad news, your visit to preside over the NATO change-of-command ceremony as Brigadier General Bullard USMC takes over from his Italian predecessor will be seen in a very positive light and will draw considerable public and press interest. Retaking command of NATO HQ Sarajevo will be viewed as a desirable increase in U.S. engagement in Bosnia, following the November visit of ASD Vershbow and preceding U.S. - Bosnia Defense Bilateral Meetings in Sarajevo on January 27 to be chaired by DASD Joseph McMillan. We recommend a brief call on Bosnia's Presidency to formally introduce BG Bullard as NATO HQ Sarajevo Commander, and would like to thank you in advance for taking the time for this important visit. Regards from Sarajevo.  
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